



To: House Tax Policy Committee

From: Allie M. Bush, Grand Rapids Area Chamber of Commerce

Subject: Support Senate Bills 821-830

Date: March 12, 2014

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On behalf of the Grand Rapids Area Chamber of Commerce (GRACC) and our 2,700 members, we ask for your support of the Michigan Personal Property Tax Reform and Local Revenue Stabilization Package.

The Personal Property Tax (PPT) is a burdensome and duplicative tax that punishes companies for making capital investments. As Michigan continues to diversify and retool for the future economy, we need a simple, fair and competitive tax system that encourages companies to invest and grow in our state. The passage of legislation in 2012 to eliminate the PPT for small businesses and manufacturers, and the passage of technical adjustments in 2013 were essential steps forward.

The bills before you now, Senate Bills 821-830, provide necessary and technical steps to finish reform of Michigan's PPT. This package of bills provides more clarity and certainty for business by simplifying the essential services assessment through a state-level approach that streamlines the collection and payment of taxes. In addition, local communities will be reimbursed 100 percent for all services through a stable and reliable funding system.

The best thing we can do for local communities is to enact policies that promote job creation while supporting quality local services. We do this by working closely with local partners to create a community that supports our job providers.

Over the last two years, the Grand Rapids Chamber has been working closely with our local governments on both the legislation and implementation of the PPT changes. The Chamber is pleased to be united in support of this current package of bills with our local governments and working together toward passage of the statewide ballot in August.

I ask for your support in finishing the job and providing relief to manufacturers and small businesses along with total reimbursement to local governments. If you have any questions, or would like some examples of how this package will support job creation, please do not hesitate to contact me at 616.771.0311.

Sincerely,

A handwritten signature in black ink that reads "Allie M. Bush". The signature is written in a cursive, flowing style.

Allie M. Bush  
Public Policy Coordinator